

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Chief Financial Officer**

Natwar M. Gandhi  
Chief Financial Officer



**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** November 17, 2003

**SUBJECT:** Fiscal Impact Statement: "Heating Oil Clarification Act of 2003"

**REFERENCE:** Bill Number 15 - 408 as Introduced

---

**Conclusion**

Funds are sufficient in the FY 2004 through FY 2007 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia to implement the provisions of the legislation because the bill does not affect these fiscal years.

**Background**

In December 2002 legislation was enacted to increase the gross receipts tax rate for public utilities, including heating oil companies, from 10 to 11 percent, effective January 1, 2003. This increase was included in the revised revenue estimates for FY 2003 and \$217,000 would have been collected from heating oil companies between January 1, 2003 and May 1, 2003. The proposed legislation would change the effective date of the tax increase for home heating oil companies to May 1, 2003.

**Financial Plan Impact**

It is our understanding that the 1 percent tax increase was neither collected from heating oil customers nor remitted to the District. To forgive this FY 2003 receivable at this time would have no fiscal impact on the FY 2003 budget; FY 2003 has ended and revenue for the year will not now change. The proposed legislation has no impact on the FY 2004 through FY 2007 budget and financial plan.